

**CEP Discussion Paper No 1238**

**September 2013**

**Crime and Immigration: New Evidence From England  
and Wales**

**Laura Jaitman and Stephen Machin**

## **Abstract**

We study a high profile public policy question on immigration, namely the link between crime and immigration, presenting new evidence from England and Wales in the 2000s. For studying immigration impacts, this period is of considerable interest as the composition of migration altered dramatically with the accession of Eastern European countries (the A8) to the European Union in 2004. As we show, this has important implications for ensuring a causal impact of immigration can be identified. When we are able to implement a credible research design with statistical power, we find no evidence of an average causal impact of immigration on criminal behavior, nor do we when we consider A8 and non-A8 immigration separately. We also study London by itself as the immigration changes in the capital city were very dramatic. Again, we find no causal impact of immigration on crime from our spatial econometric analysis and also present evidence from unique data on arrests of natives and immigrants which shows no immigrant differences in the likelihood of being arrested.

Keywords: Crime, Immigration, Enclaves, A8  
JEL Classifications: F22, K42

This paper was produced as part of the Centre's Community Programme. The Centre for Economic Performance is financed by the Economic and Social Research Council.

## **Acknowledgements**

We would like to thank the Metropolitan Police Service for supplying the arrests data we use and participants at the April 2013 Norface conference on Migration, Global Developments and New Frontiers and the May 2013 IZA Workshop on Migration and Human Capital, especially our discussant Deborah Cobb-Clark, for a number of helpful comments and suggestions.

Laura Jaitman, Department of Economics, University College London. Stephen Machin Department of Economics, University College London and Centre for Economic Performance, London School of Economics.

Published by  
Centre for Economic Performance  
London School of Economics and Political Science  
Houghton Street  
London WC2A 2AE

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means without the prior permission in writing of the publisher nor be issued to the public or circulated in any form other than that in which it is published.

Requests for permission to reproduce any article or part of the Working Paper should be sent to the editor at the above address.

© L. Jaitman and S. Machin, submitted 2013

## 1. Introduction

A large research literature has, over the years, studied the impact of immigration on economic outcomes. A prime focus in this work has been on the labour market impact of immigration, asking questions about the overall impact on wages and employment, but also on whether immigrants displace native workers or lower their wages through greater competition for jobs (see, *inter alia*, Borjas, 1999; Card, 2005, 2009; or Dustmann, Frattini and Preston, 2013). Other immigration impacts have also received attention, albeit to a lesser extent than the labour market work, including the impact of immigration on housing markets, usage of public services, welfare benefits and crime. In the past few years, these other impacts have received more attention and there are now growing numbers of contributions in these areas.<sup>1</sup>

In this paper, we present some new evidence on the impact of immigration on crime, using data from England and Wales in a period when the nature of immigration flows altered dramatically. We consider the crime-immigration relationship in the 2000s, a decade when the composition of migration altered dramatically with the accession of Eastern European countries (the A8) to the European Union in 2004.

Ascertaining the magnitude and direction of an impact of immigration on crime is a high profile public policy question, but it is one on which we currently have only a limited number of robust findings. This is important since many media commentators and responses in public opinion polls postulate that immigration causes crime. Nevertheless, and standing contrary to this populist view, the (still relatively small) literature that does exist finds it hard to detect an average impact of immigration on crime. For example, Bianchi, Buonanno and Pinotti (2012) study crime and immigration across Italian areas, finding no significant empirical connection. Bell, Fasani and Machin (2013) conclude the same studying two large immigration waves in the UK.

---

<sup>1</sup> On housing markets and immigration see Saiz (2007) for US evidence and Sa (2011) for UK evidence. For evidence (respectively for the US and UK) on use of health services see Borjas and Hilton (1999) and Wadsworth (2013). Reviews of the research on welfare benefits are given in Barrett and McCarthy (2008) and on crime in Bell and Machin (2013).

A more subtle conclusion follows when a heterogeneous impact across different migrant groups is studied and, here, the extent of attachment to the labour market, and hence a source of legal income, seems critical. Bell, Fasani and Machin. (2013) show that the very rapid influx of Eastern European migrants that entered to the UK after the A8 accession countries joined the European Union in 2004 had no detrimental crime impact since the migrants actually had higher employment rates than natives. They do, however, find a positive, small, but statistically significant crime impact associated with the late 1990s wave of asylum seekers who were very detached from the labour market. Spenkuch (2011) also emphasises immigrant heterogeneity in the US, breaking the immigrant stock into Mexicans and non-Mexicans, and reports a significant positive crime effect for Mexican immigrants, while it is negative and insignificant for all other immigrants.

In this paper, we present new causal evidence on the impact of immigration on crime, using a range of data sources from England and Wales. We estimate spatial panel data models of the crime-immigration relationship over the 2000s, and also present an analysis of differences in arrest rates of natives and migrants using unique data from the London Metropolitan Police Service.

As with some other work studying immigration impacts, we need to take care to identify a causal impact of immigration. To do so we adopt and further develop the enclave approach to immigrant settlement pioneered by Card (2001) where actual immigration flows can be instrumented by a predicted settlement variable generated from overall immigration flows on the assumption that new migrants go to live in locations where earlier migrants from their origin country also settled. As already noted, because we are focussing on the 2000s in England and Wales, the significant compositional change of the structure of immigration flows has important implications for ensuring a causal impact of immigration can be identified. Our empirical analysis

takes care to ensure we are able to implement this approach in a coherent manner for the setting we study.

When we are able to implement a credible research design with statistical power, we find no evidence of an average causal impact of immigration on criminal behavior, nor do we when we consider A8 and non-A8 immigration separately. We also consider London by itself as the immigration changes in the capital city in the 2000s were very dramatic. Again, we find no causal impact of immigration on crime from our spatial econometric analysis and also present evidence from unique data on arrests of natives and immigrants which shows no immigrant differences in the likelihood of being arrested.

The rest of the paper is structured as follows. In Section 2, we report descriptive information on immigration trends, placing a particular focus on the changing nature of migration flows. Section 3 discusses how to approach this in our spatial econometric analysis and reports evidence on when we are (and are not) able to utilise the enclave approach productively for our data. Section 4 reports evidence on the causal impact of immigration on crime. Section 5 then shows the analysis of arrest rates for natives and migrants. Section 6 concludes.

## **2. Trends in Immigration to England and Wales**

### *Data*

The main sources of immigration data for England and Wales are the decennial Population Census (1991, 2001 and 2011). For the inter-Census period in the 2000s we are able to use data from the Annual Population Survey (APS) which covers the financial years 2004/2005 to 2010/2011. More details are given on these in the Data Appendix. Both data sources show that the nature of changing immigration was a significant phenomenon in England and Wales through the 2000s. They show the changes to be even more pronounced in London and, for that reason (and

because we have data on arrests by nationality for London), we look at London separately in our analysis.

### *Overall Immigration Trends*

According to the 2011 Census, one in eight people living in England and Wales – a total of 7.5 million out of 56 million - were born abroad. This shows a very big increase from 4.6 million (out of 52 million) in the previous Census in 2001 which in turn was up from 3.6 million (out of 50 million) in the 1991 Census. As Figure 1 shows, the share of immigrants therefore almost doubled from 1991 to 2011 in England and Wales, and grew at a faster rate in the 2000s as compared to the 1990s.

London has always been the main destination of foreigners, and changes in the capital city are even more marked. As the Figure shows, the share of immigrants grew from 21.7 percent in 1991 to 27.1 percent in 2001 and reached 36.7 percent in 2011. Hence, a significant part of the overall aggregate growth in the share of immigrants between 2001 and 2011 comes from London (for the rest of England and Wales it increased from 6.0 percent to 9.4 percent). In London the immigrant population was 1.5 million in 1991, increased to 1.9 million in 2001 and grew 58 percent in the following ten years to reach 3 million by 2011.<sup>2</sup>

### *The Changing Composition of Immigration*

In the last decade, not only did the share of immigrants increase but also there were important changes in terms of the composition of their country of origin. In May 2004, eight Eastern European countries (the so called A8) joined the European Union<sup>3</sup>. The A8 countries are Estonia, Czech Republic, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. In January 2007 two more countries (the A2, Bulgaria and Romania) gained access to the European Union.

---

<sup>2</sup> More details on sub-groups of these aggregate Census numbers are shown for England and Wales and London in Table A1 of the Appendix.

<sup>3</sup> Apart from the A8 countries, Cyprus (excluding that part of the country under Turkish control) and Malta also joined the European Union.

For the A8 citizens there was no restriction to work or live in the UK, as long as they registered with the Worker Registration Scheme (requirement that ended in 2011). The A2 citizens did face restrictions to access to labour markets (which will end in 2014).

This expansion of the European Union had a very big effect on the UK. Results from the 2011 Census suggest that about 1.1 million people were born in countries which joined the EU in 2004 or afterwards (almost 600,000 of those were born in Poland). This has important implications when studying the effect of immigration as the population of migrants from these origin countries were low in the previous Census.

For example, as shown in the first panel of Table 1, in the 2001 Census Poland did not feature in the top countries of UK residents born in a different country. Poland was actually placed in 17<sup>th</sup>, accounting for only 1.3 percent of the immigrant population. However, by 2011 Polish immigration is the fastest growing and it is ranked second, comprising 7.7 percent of the immigrant population. The second panel of Table 1 shows that in London Poland was ranked 18<sup>th</sup> in 2001, accounting for 1.5 percent of the immigrant population, and as for the country as a whole, it jumped to second place by 2011 accounting for 5.3 percent of the immigrant population.

Figure 2 reports the flows, rather than the stocks, to show the same point. Prior to 2004, the year of accession, flows from the A8 were negligible. In 2004, they rose to about 53,000 people and this steadily increased to 112,000 by 2007, decreasing to 77,000 by 2011. Thus the increase in the A8 flows from 2004 has significantly altered the composition of immigrant stocks in England and Wales. This has implications that should not be ignored or brushed over in empirical analysis of the impact of immigration over this time period, and this is what we turn to in the next Section of the paper.

### 3. Empirical Approach

We plan to estimate spatial panel data models of crime and immigration flows, paying careful attention to the means of identifying a causal impact of immigration on crime. To do so we adopt the previous settlement/enclave approach of ensuring that the direction of causation flows from the immigrant variable to the outcome of interest, crime.

#### *Estimating Equations*

For spatial data over time, our main equation of interest (expressed in differences for spatial unit  $s$  between period  $t$  and  $t-1$ , denoted by the difference operator  $\Delta$ ) relates to the crime rate to the immigrant/population ratio as:

$$\Delta \left( \frac{\text{Crime}}{\text{Population}} \right)_{st} = \beta_1 \Delta \left( \frac{\text{Immigrants}}{\text{Population}} \right)_{st} + \beta_2 \Delta X_{st} + T_t + \varepsilon_{st} \quad (1)$$

where  $X$  contains a set of time-varying controls,  $T$  is a common time effect and  $\varepsilon$  is an error term.

The principal empirical challenge in estimating the key parameter of interest  $\beta_1$  is, as already stated, the issue of possible reverse causation. We therefore use a 'previous settlement' type instrumental variable to predict the immigrant share. The logic of this arises from the notion that immigrants tend to settle in areas where there is already a high share of immigrants from their country of origin (what we call enclaves).

More formally, the instrumental variable we use to predict the change in the share of immigrants for spatial unit  $s$  at initial time period  $t_0$ , is the following:

$$\Delta P_{st} = \left[ \sum_c (I_{cst_0} / I_{ct_0}) \Delta I_{ct} \right] / \text{Population}_{st_0} \quad (2)$$

where we use the initial distribution of immigrants from country  $c$  and allocate the flow of immigrants from that country between period 0 and 1, according to that distribution in time 0. We do this for 17 countries or country groups and sum the predicted immigrant shares from each country. The selection of countries was based in their importance as immigrant sending countries



or regions to the UK.<sup>4</sup> We also include in the prediction an additional dummy variable for whether areas historically had a high immigration share, defined as 20 percent or over in the 1991 Census.

### *The Changing Composition of Immigration to England and Wales*

As the descriptive analysis of Section 2 showed, in the period and context we study the composition of migrant flows was dramatically altered by a big influx of migrants from different places than before. This has a potentially important impact on the usefulness or otherwise of the enclave type instrument described in equation (2). We therefore need to be careful in our empirical analysis to ensure that this changing composition does not invalidate the use of the enclave instrument.

Figures 3A and 3B show enclave patterns for different sending regions and time periods across the local authorities in England and Wales. The horizontal axis shows the relative immigrant share ratio: the share of immigrants from country  $c$  that lived in the spatial unit  $s$  in the year  $t_0$  divided by the share of total immigrants that lived in spatial unit  $s$  in the year  $t_0$ . Values larger than one imply that the sending country  $c$  is over-represented in the spatial unit  $s$  relative to the average total immigrant population. A large value for the relative immigrant share from country  $c$  thus characterises an enclave. If we represent the immigrants coming from country  $c$  as  $I_c$ , the vertical axis shows the change in the ratio  $I_c/\text{population}$  of every spatial unit  $s$  in the period  $t_0$  to  $t_1$ . A positive correlation between the relative immigrant share ratio and the change in the immigrant population from country  $c$  would suggest that net immigrant flows go to spatial units where there was already a significant settlement of immigrants from that country (established enclaves).

---

<sup>4</sup>The 17 groups are: Ireland, European Union countries as of 2001, A8 countries, Rest of Europe, India, Pakistan, Bangladesh, Sri Lanka, Rest of Asia, Kenya, South Africa, Ghana, Rest of Africa, Jamaica, North America, Rest of America and Oceania.

Figure 3A shows illustrative selected enclaves patterns for the period 2001-2011. The left column is for immigrants from India and Pakistan and the right one is for immigrants from A8 countries. We can see that the patterns are completely different. The case of India and Pakistan, which are traditional sending countries, shows a positive correlation, suggesting that there are established enclaves which are attractors for future migration inflows. On the contrary, the right column for A8 countries shows a negative or null correlation between the variables. This illustrates the fact that the A8 countries are new sending countries, and as such there were almost no established enclaves in 2001 (the only exception is the London borough of Ealing which had a large Polish concentration). From Figure 3A we learn that using instrumental variables that rely on the previous settlement argument could be misleading in the case of new sending countries.

Figure 3B focuses on the A8 countries. It shows the same enclave patterns plots for England and Wales (upper panel) and London (lower panel), and for different time periods: 2001-2011 (left column) and 2004-2011 (right column).<sup>5</sup> The patterns prove to be sensitive to the period considered. When we analyse the inter-Census decade of 2001-2011, there were no established enclaves to predict future A8 flows. However, the Figure shows that some local authorities experienced a high increase in the A8 immigrant share (like Haringey or Newham) which can be indicative of a future enclave. In the 2004-2011 time period we can already see a positive correlation between the relative A8 immigrant share and the difference in A8 share of the local authority population. This suggests that in 2004/5-2005/6 period (in the 2 years following the accession to the European Union), the A8 immigrants settled and formed new enclaves (where the horizontal axis has values larger than one) and that the following net flows of A8 immigrants went to those same places, such as Haringey, Newham or also to the pre-existent enclave Ealing.

---

<sup>5</sup> 2004 corresponds to the financial year 2004/5 and 2011 to the 2010/2011. The relative share in the horizontal axis is calculated considering the average distribution in 2004/5 and 2005/6 to gain precision, but the results also hold when considering only the 2004/5 cross-section.

Therefore, we can conclude from this analysis that the use of previous settlement arguments as a means of defining instrumental variables is likely to not be valid for the period 2001-2011 and also that it may work better when the enclaves from the new sending countries already formed. We assess this issue more rigorously, and across all migrant groups, in statistical models reported in the next Section of the paper.

#### **4. Spatial Empirical Models of Crime and Immigration**

##### *Data*

We report estimates of the spatial empirical models based upon local area data from England and Wales. Our crime data covers all local authorities in England and Wales.<sup>6</sup> This is reported on an annual basis on consistent definitions since the financial year of 2002/3. Prior to that a significant crime recording change occurred, which precludes analysis from before then. We therefore use annual data on recorded notifiable offences by major offence type from the 43 Police Force Areas of England and Wales for the financial years 2002/2003-2011/2012, at local authority level. We have information on all crimes recorded by the police, and we also consider this broken down into violent and property crimes in some of our analysis. More information is given in the Data Appendix.

Figure 4 shows what has happened to crime over our study period. The crime rate for all the country decreased from 97 per 1,000 population in 2002 to 67 per 1,000 population in 2012. London also experienced the same trend, but in higher levels: the crime count decreased from 122 per 1,000 population to 91 per 1,000 population in the same period. The downward trend was common to both property and violent crimes.

The immigration data comes from the 2001 and 2011 Census and from the Annual Population Surveys (APS) that are available on an annual basis since 2004. We need to consider

---

<sup>6</sup> There are 348 local authorities in England and Wales.

both of these to more formally probe further in statistical models the graphical analysis regarding the suitability of the enclave instrument  $P_{st}$  as discussed in the previous Section of the paper. We have constructed various immigration stocks from the Census and APS for 347 local authorities<sup>7</sup> and this is the spatial units we study. Within that there are 33 London boroughs and we also analyse them separately given the interesting ‘experiment’ offered by the very rapid immigration changes seen in the 2000s in the capital city.

Figure 5 shows the spatial distribution of crime rates and immigrant/population ratios across local authorities in 2011. It is evident in this cross-sectional comparison that the darker areas (indicating higher rates) do coincide to a degree across the two charts, indicating a positive correlation between immigration and crime. But this only implies that immigrants tend to settle in big cities like London, Manchester or Birmingham where crime rates are high, but also where they can presumably find better working opportunities. However, and as we have maintained throughout, it is important to look at changes across spatial units over time (so as to net out unobserved fixed differences) and to be careful to adopt a research design that try to ensure causality, which are the issues we next turn to in our statistical analysis.

### *Statistical Analysis – First Stage*

The empirical models reported in Table 2 analyse the question of the suitability of the enclave instrument more formally. To do so we estimate the following first stage equation:

$$\Delta \left( \frac{\text{Immigrants}}{\text{Population}} \right)_{st} = \delta_1 \Delta P_{st} + \delta_2 \Delta X_{st} + T_t + v_{st} \quad (3)$$

Estimates of (3) are given in Table 2, for various data configurations and measures of the immigrant/population ratio.<sup>8</sup> The upper panel shows results for the 347 local authorities across the

<sup>7</sup> This excludes one very small local authority – the Isles of Scilly – for which the sample sizes were just too small.

<sup>8</sup> The control variables we include in the differenced equations are: population growth, the change in the unemployment rate, the change in the share of males aged 15-39 and a dummy variable for the 33 London boroughs, the latter allowing for differential trends between London and the rest of the country. For more precise definitions, and sources, see the Data Appendix.

whole of England and Wales, and the lower panel for the 33 boroughs that are the 33 London local authorities. Six specifications are shown. Specifications (1) and (2) show first differenced estimates based on Census data in 2001 and 2011, the difference between the two being that police force area fixed effects are not included in the former but are included in the latter (there are 43 police force areas of England and Wales and 2 police forces in London). Specifications (3) through (6) define the start year as 2004, the year of A8 accession, and show first differenced models from the 2004/5 and 2010/11 APS data. In the APS we can define immigrants based on country of birth and nationality (unlike in the Census where we can only define the former in 2001 and 2011) and so specifications (3) and (4) are based on country of birth (again without and with police force area fixed effects), whilst (5) and (6) are based on nationality.

Considering first the Census results in specifications (1) and (2), it is evident that the enclave instrument predicts the actual change in immigration well for the whole country (as shown in the upper panel) but not at all well for London (as shown in the lower panel). For the latter the F-test for the instrument is very low as the estimated coefficient on  $P_{st}$  is not significantly different from zero. This highlights a first possible concern about the effects of changing composition for use of the enclave instrument.

If, however, the year of accession is used as the start year, as in the APS models in columns (3) to (6), things are a lot better. In (3) and (4), the magnitudes of the coefficients on the country of birth based immigrant/population ratios are larger than in the Census and the F-tests are strongly significant for both England and Wales and London. In (5) and (6), where a nationality based immigrant/population ratio is used the instrument performs reasonably well, though is on the margins in London. For the latter reason, we focus on the country of birth variable in the rest of our analysis.<sup>9</sup>

---

<sup>9</sup> Nationality is not as stable as country of birth, as a person's nationality status can change over time. Usually eligible non-European citizens apply to get the UK nationality and in this way avoid restrictions to work. According to the Annual Population Survey, the average share of non-UK national in England and Wales increased from 5.4 percent in

The results given in Table 3 probe the composition question further by breaking up the instrument into A8 and non-A8 immigrant/population ratios. This makes it very clear how the changing composition is affecting the suitability or otherwise of the enclave instrument. For the Census 2001 to 2011 differenced models for England and Wales, the non-A8 immigrant variable predicts strongly, but the A8 immigrant variable is not significant. For London, the A8 variable has no explanatory power at all, and the non-A8 variable is very weak. This casts strong doubt on using the enclave instrument in the 2000s using the 2001 settlement patterns to predict actual immigration flows.

A far better position emerges if 2004 is used as the initial year. This is shown in specifications (3) and (4) of Table 3. For England and Wales as a whole and for London, both the enclave based predicted A8 and non-A8 immigrant/population ratios are strongly related to the actual changes. Thus, we believe these specifications offer a sound first stage that we can use to go on to study the impact of changes in immigration on changes in crime in the 2000s. We will consider that next, before also showing some robustness checks that address some other possible concerns about our means of identification.

### *Statistical Analysis – Second Stage*

We now consider estimates of the change in crime model given in equation (1) above. Before doing so, it is worth considering the scatterplot of spatial changes in crime rates and changes in immigrant population shares which is given in Figure 6. For England and Wales, the purely descriptive Figure actually shows a negative regression slope. It is noteworthy that the places where the very big increases in immigrant shares have occurred do not seem to be characterised by increased crime. For London, there is an upward slope, but it is not strong and is nowhere near statistical significance. From these Figures, there seems to be no evidence of a

---

2004/5 to 7.7 percent in 2010/11 and from 18.0 percent to 21.5 percent in London. See the Data Appendix for more details.

positive crime-immigration link. However, these raw correlations need to be subjected to the more rigorous statistical analysis.

Table 4 therefore shows estimates of equation (1) across six specifications, again in the upper panel for England and Wales and the lower panel for London. Specifications (1)-(3) and (4)-(6) differ in that the former do not include the police force area fixed effects, whilst the latter do. Specifications (1) and (4) are ordinary least squares estimates. For both England and Wales, these show no significant correlation between changes in crime and changes in immigration.

The other four specifications are instrumental variable estimates, where (2) and (5) use the relevant first stages from Table 1 (what we call the aggregate instrument) and (3) and (6) use the relevant first stages from Table 2 (the separate A8 and non-A8 instruments). In all four cases, there is no significant empirical connection between changes in crime and changes in the immigrant/population ratio. This is the case for England and Wales, and for London. In the latter the estimated coefficients are a little large in magnitude, but never approach statistical significance. Table A2 of the Appendix also confirms this to be the case when we consider violent and property crimes separately.

Thus, it seems we can find no evidence of a connection between crime and immigration from our descriptive analysis and from our causal research design. It seems that, despite the very rapid changes in immigration that occurred in England and Wales in the 2000s, they were not connected to increases in crime.

### *Robustness Checks*

We have subjected our core findings of Table 4 to a number of robustness checks. These are reported in Table 5. There are three main checks we undertook:

- i) Specifications (1) and (2) show that the results are robust to considering specifications defined in changes in logs rather than changes in levels;

- ii) Adding a (suitably instrumented) lagged dependent variable<sup>10</sup>, whilst showing evidence of spatial crime persistence, actually results in the coefficient on the change in the immigrant/population ratio turning negative (though remaining insignificantly different from zero);
- iii) Because of the 2002 crime recording changes we also looked at the crime type that was least affected by these changes, namely burglary, to also implement a dynamic crime model.<sup>11</sup> Again, there is evidence of spatial crime persistence, but the core finding of no connection between changes in crime and changes in immigration remains intact.

#### *Separate A8 and non-A8 Effects*

In the previous section, we have only distinguished between the A8 group of migrants and other migrants in the first stage regressions. However, it is possible that they are differentially correlated with changes in crime. Thus, in Table 6 we estimate separate regressions using A8 and non-A8 immigrant/population ratios as explanatory variables. Again we are unable to detect any evidence of a causal crime-immigration, for either the A8 or non-A8 groups.

### **5. Arrests by Immigrant Status**

So far, we have analysed recorded crime data where the crime counts we have are not available broken down by immigrant status. To shed more light on the criminal behaviour of foreigners *vis-à-vis* natives, we have been able to obtain data on arrests by nationality from the Metropolitan

---

<sup>10</sup> We are severely constrained in this exercise by the crime recording changes that came into place first in the 2002 recording year with the adoption of the National Crime Recording Standard by the 43 police forces in England and Wales. This means that there are no available comparable crime records before then. So the lagged dependent variable is the change in crime between 2002 and 2004. In a first differenced specification the coefficient on the lag is biased and so we need to instrument it which we do using the 2002 crime rate. This is strongly correlated – the F-test of the first stage regression was 13.7 for England and Wales and 132.68 for London. See the Data Appendix for more details on the recording changes.

<sup>11</sup> See Simmons, Legg and Hosking (2003) for evidence that burglary was less affected by the crime recording changes as compared to other crimes (notably violent crimes).



Police Service (MPS), the police force that oversees policing in 32 boroughs of London.<sup>12</sup> We can thus present a brief empirical case study of London where we can study arrest rates of immigrants and natives.

We have monthly data covering the time period June 2009 to June 2012. For the 32 London boroughs we have counts of arrests broken down by nationality and age. We use APS data to construct arrest rates for UK nationals and non-UK nationals by borough and age range (0 to 9, 10 to 15, 16 to 24, 25 to 34, 35 to 49, 50 to 64, 65 to 74 and over 75 years old).<sup>13</sup>

Table 7 shows some summary statistics on these data. The overall monthly arrest rate for immigrants is higher at 3.8 arrests per 1000 population than that for the 2.8 arrests per 1000 population of UK nationals. However, this includes arrests for immigration related offences, so it seems natural to exclude these. Nonetheless, the arrest rate is still higher by 0.7 arrests per 1000, and significantly so as the final column of the Table shows. The Table also shows that the crimes for which people were arrested are similar in their profile for both groups, with assault and theft arrests ranking first and second for non-UK and UK nationals.

It might be tempting to conclude from this that arrest rates are higher among non-UK nationals. However, there is another important feature to consider, in that the demographic structures of the two groups are different, particularly with respect to age. As crime is committed more by younger people this need to be taken into account. Figure 7 shows the distribution of the total population and the arrested population by age and nationality status. We can see that the age distribution of the population is very different for UK and non-UK nationals, and the Figure basically confirms that most of the non-UK nationals are in their mid 20s to mid 30s, the age in which arrests are higher.

---

<sup>12</sup> There is a separate police force for the 33<sup>rd</sup> borough, the City of London.

<sup>13</sup> The reason for using APS rather than Census data is that the way nationality is defined by the police is much closer to the APS definition. See Data Appendix for more information.

In Table 8 we therefore pool the eight age groups by the two nationality groups across the 32 London boroughs and estimate an arrest rate equation, first only including a nationality status dummy, then borough fixed effects and then age range fixed effects. The first two specifications just reproduce the significant positive associations seen in the summary statistics of Table 7. Inclusion of the borough fixed effects reduces the gaps, but it remains positive and significant (at the 10 percent level). However, the age controls matter and completely wipe out the positive effects as seen in specifications (4) and (5). Table A3 of the Appendix shows the differential arrest rates for violent and property offences. The findings are the same as for total offences: a significant higher arrest rates for non-UK nationals disappears once we control for age.

Thus, it is not that foreign nationals are arrested more, but the fact that they are concentrated in young ages and crime is higher amongst younger people. This is in line with the notion that immigrants' criminal behaviour is actually comparable to that of natives. The arrests case study of London thus corroborates the overall findings from our spatial econometric analysis and confirms we are unable to detect evidence of a positive crime-immigration link.

## **6. Conclusions**

In this paper we offer some new evidence on whether one can detect an empirical connection between crime and immigration. To do so, we consider the very significant changes in immigration that occurred in England and Wales over the 2000s, where the share of immigrants in the total population rose by over 60 percent between the 2001 and 2011 Census years. With this change came a significant change in the composition of immigrants as the opening up to the A8 countries in 2004 resulted in a big immigration increase to England and Wales from countries where the prior number of immigrant settlements was relatively low.

In our modelling approach, we are careful to ensure that we are able to implement the enclave instrument traditionally used in the immigration research area in an effective way. For

that purpose we have to define a start year after the opening up to A8 migration. When we do so, we find that the enclave instrument predicts well as the new migrants formed enclaves rapidly. Adopting this empirical approach to implement a causal research design, and contrary to the ‘immigration causes crime’ populist view expressed in some media and political debate, we find no evidence of an average causal impact of immigration on criminal behaviour. This is also the case when we study A8 and non-A8 immigration separately. We also study London by itself as the immigration changes there were very dramatic. Again, we find no causal positive impact of immigration on crime from our spatial econometric analysis and also present evidence from unique data on arrests of natives and immigrants which as well shows no immigrant differences in the likelihood of being arrested.

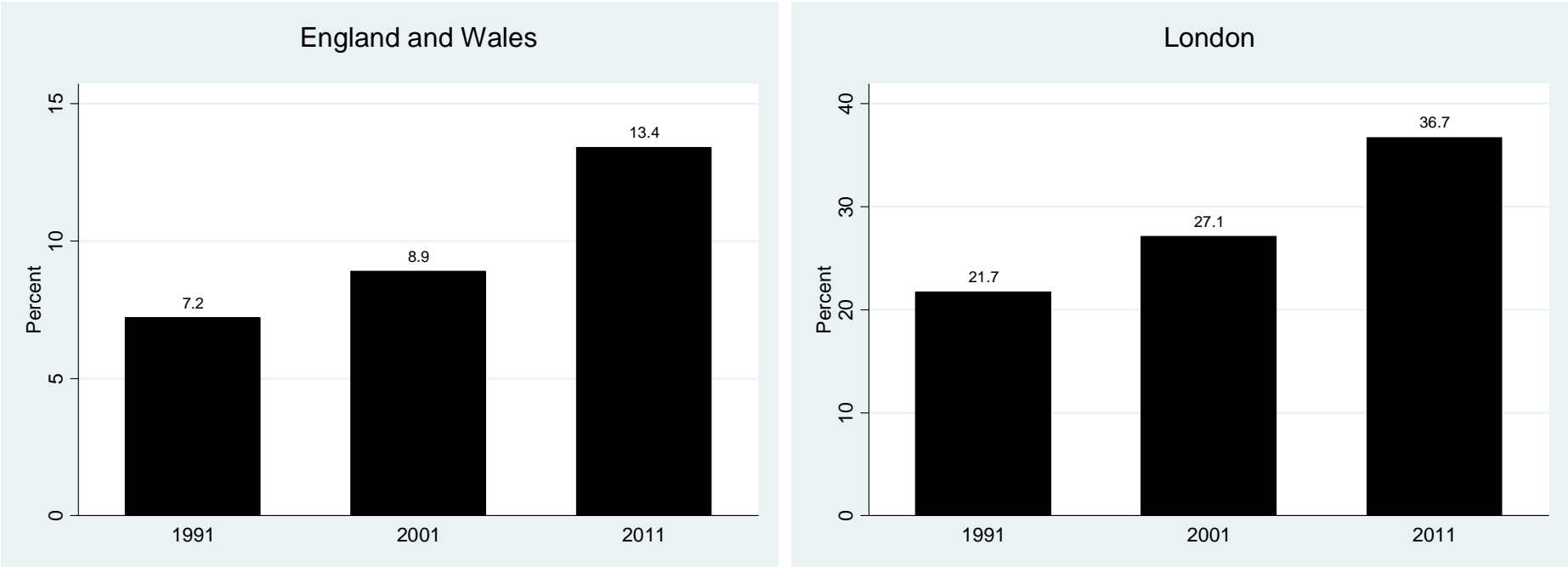
## References

- Altonji, J. and D. Card (1991) The Effects of Immigration on the Labor Market Outcomes of Less-Skilled Natives, in John Abowd and Richard Freeman (eds.), *Immigration, Trade and the Labor Market*, Chicago: University of Chicago Press, 201–234.
- Barrett, A. and Y. McCarthy (2008) Immigrants and Welfare Programmes: Exploring the Interactions Between Immigrant Characteristics, Immigrant Welfare Dependence and Welfare Policy, *Oxford Review of Economic Policy*, 24, 542-59.
- Bell, B., F. Fasani and S. Machin (2013) Crime and Immigration: Evidence from Large Immigrant Waves, *Review of Economics and Statistics*, forthcoming.
- Bell, B. and S. Machin (2013) Crime and Immigration. What do we Know?, in P. Cook, S. Machin, O. Marie and G. Mastrobuoni (eds.) *What Works in Reducing Offending? Lessons From the Economics of Crime*, MIT Press, forthcoming.
- Bianchi, M., P. Buonanno and P. Pinotti. (2012) Do Immigrants Cause Crime?, *Journal of the European Economic Association*, 10, 1318–1347.
- Borjas, G. (1999) The Economic Analysis of Immigration, Chapter 28 in O. Ashenfelter and D. Card (eds), *Handbook of Labor Economics*, Vol. 3, Amsterdam: North Holland, 1761-1800.
- Borjas, G. and L. Hilton (1996) Immigration and the Welfare State: Immigrant Participation in Means-Tested Entitlement Programs, *Quarterly Journal of Economics*, 111, 575–604.
- Card, D. (2001) Immigrant Inflows, Native Outflows, and the Local Market Impacts of Higher Immigration, *Journal of Labor Economics*, 19, 22-64.
- Card, D. (2005) Is The New Immigration Really So Bad?, *Economic Journal*, 115, F300-F323.
- Card, D. (2009) Immigration and Inequality, *American Economic Review*, 99, 1-21.
- Dustmann, C., T. Frattini and I. Preston (2013) The Effect of Immigration along the Distribution of Wages, *Review of Economic Studies*, 80, 145-173.
- ONS, Office for National Statistics (2013) Detailed Country of Birth and Nationality Analysis From the 2011 Census of England and Wales, 2011 Census, Detailed Characteristics for Local Authorities in England and Wales Release, London: Home Office.
- Sa, F. (2011) Immigration and House Prices in the UK, IZA Discussion Paper 5893.
- Saiz, A. (2007) Immigration and Housing Rents in American Cities, *Journal of Urban Economics*, 61, 345-71.
- Simmons, J., C. Legg. and R. Hosking (2003) National Crime Recording Standard (NCRS): an Analysis of the Impact on Recorded Crime. Companion Volume to Crime in England and Wales 2002/2003. *Home Office Online reports 31/03 and 32/03*. London: Home Office.

Spenkuch, J. (2011) Understanding the Impact of Immigration on Crime, *MPRA Paper No. 31171*, Munich: University Library of Munich.

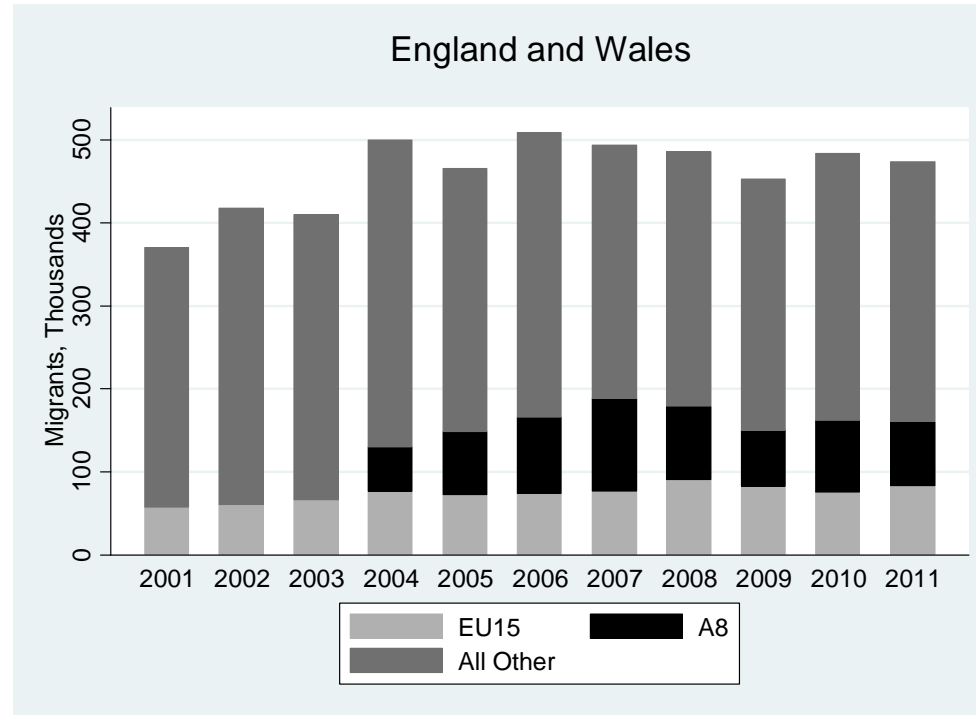
Wadsworth, J. (2013) Mustn't Grumble. Immigration, Health and Health Service Use in the UK and Germany, *Fiscal Studies*, 34, 55-82.

**Figure 1: Immigrant Shares, Census 1991, 2001 and 2011**



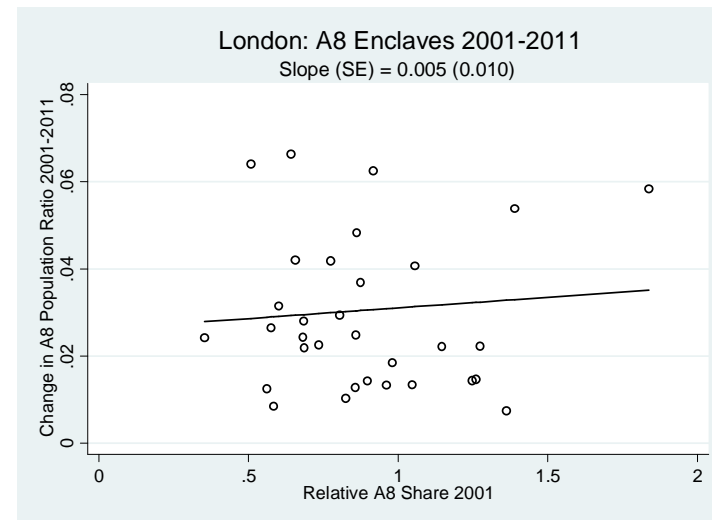
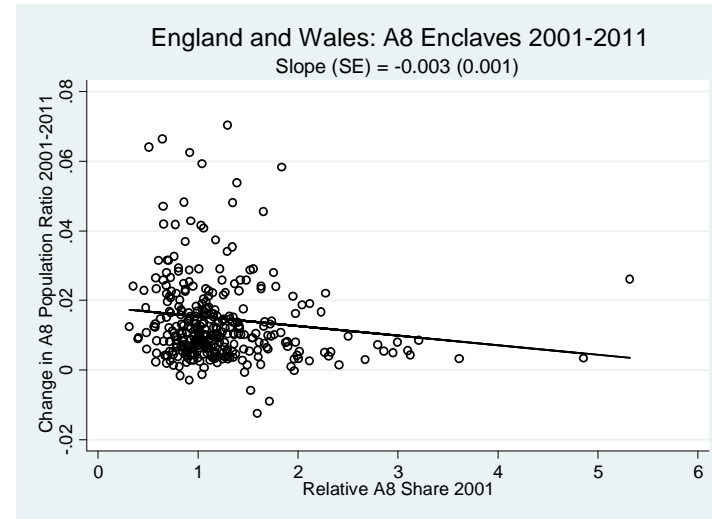
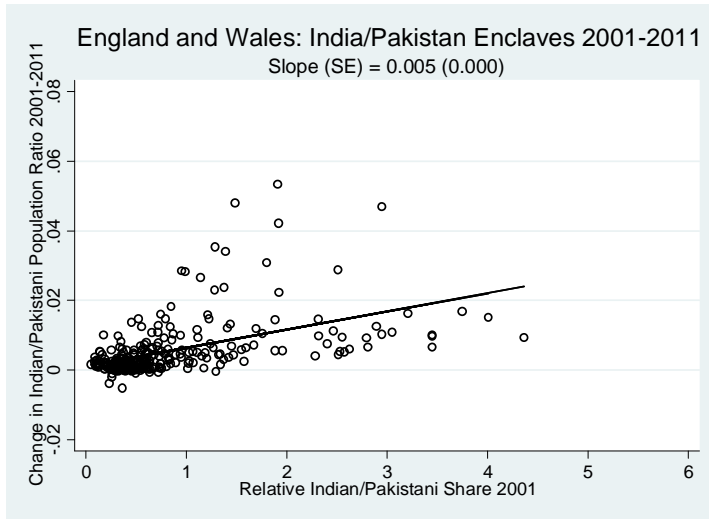
Notes: Source: Office for National Statistics (ONS), Home Office. Immigrant share calculated as the usual resident population not born in UK over the total resident population from Census 1991, 2001 and 2011.

**Figure 2: Immigrant Inflows to England and Wales by country groups, 2001-2011**



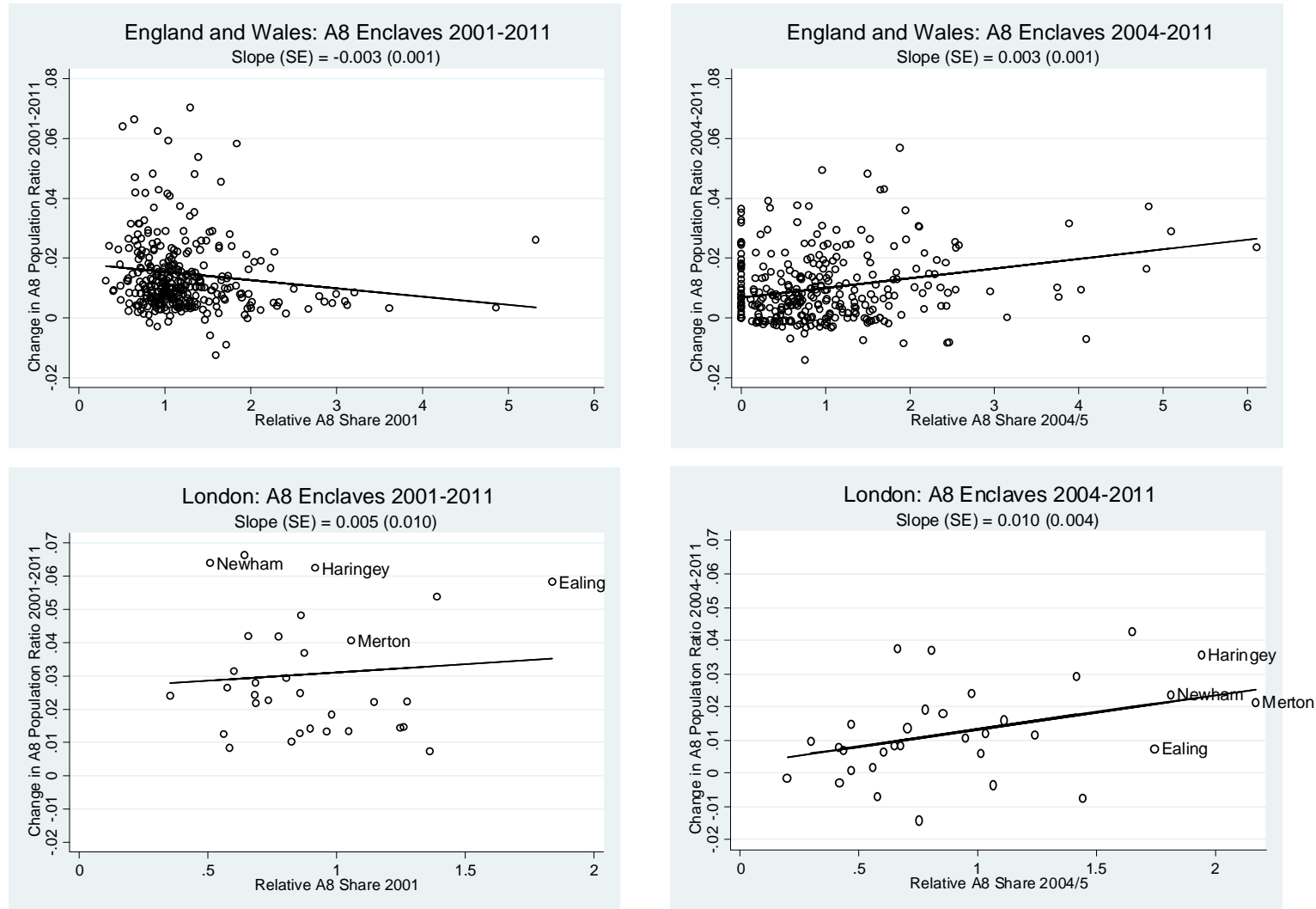
Notes: Source: Long Term Migration Statistics, Office for National Statistics (ONS), Home Office. The A8 countries who gained accession in May 2004 are: Czech Republic, Estonia, Hungary, Latvia, Poland, Slovakia and Slovenia. EU 15 refers to the European Union members before the accession of the A8 European countries in 2004.

**Figure 3A: Enclave Patterns. Census, 2001-2011**



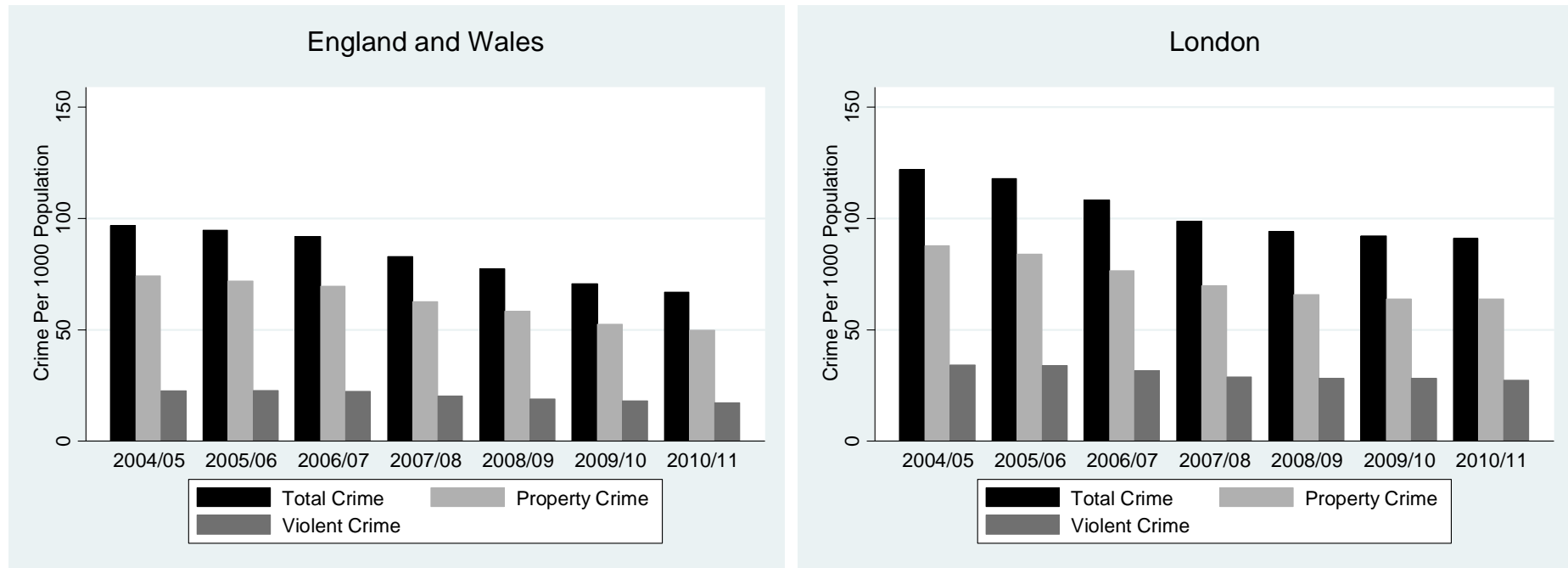


**Figure 3B: Enclave Formation**



Notes: The horizontal axis shows the relative immigrant share ratio: the share of immigrants from country  $c$  that lived in the spatial unit  $s$  in the year  $t_0$  divided by the share of total immigrants that lived in spatial unit  $s$  in the year  $t_0$ . The vertical axis shows the change in the ratio immigrant $_c$ /population of every spatial unit  $s$  in the period  $t_0$  to  $t_1$ . The slope and standard error of each regression is obtained from an OLS regression with population weights. Spatial units with less than 65,000 usual residents were excluded. The differences 2001-2011 are calculated with the Census data and the 2004-2011 with the APS, considering the relative shares as an average of the share in 2004/5 and 2005/6

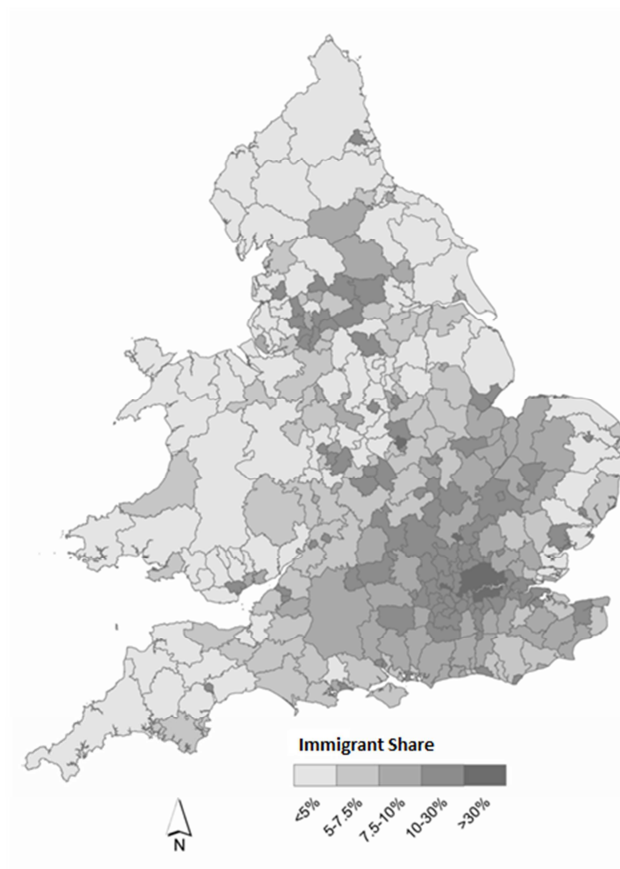
**Figure 4: Evolution of Crime Rates**



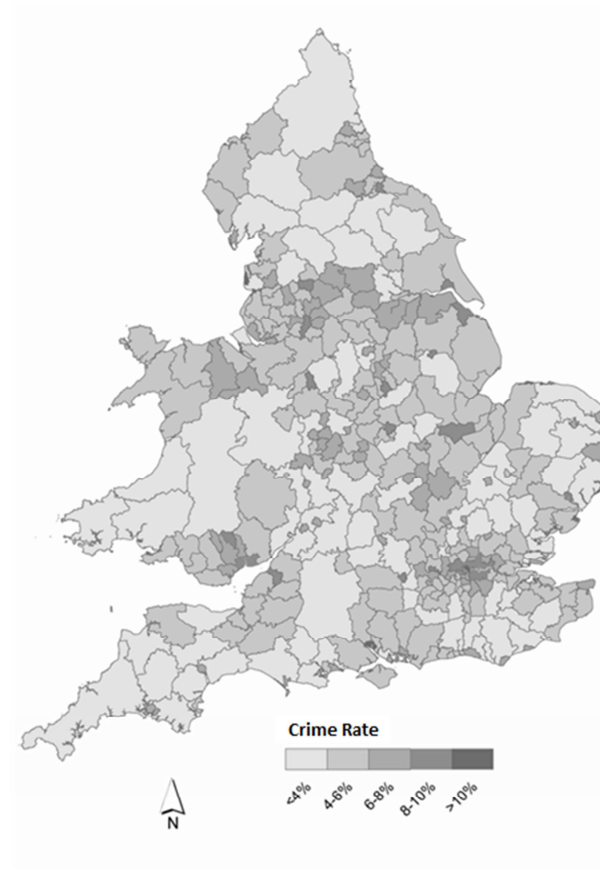
Notes: Source Data.gov.uk with data provided by the 43 police force areas in England and Wales. Total crime is the sum of Property and Violent Crime. Property Crimes include burglary, theft and criminal damage, while Violent Crimes include violence against the person and robbery. Crime rates are obtained dividing the crime counts by total population according to population figures from the APS.

**Figure 5: Crime Rates and Immigrant Shares Across Local Authorities, 2011**

Immigrant Share, 2011

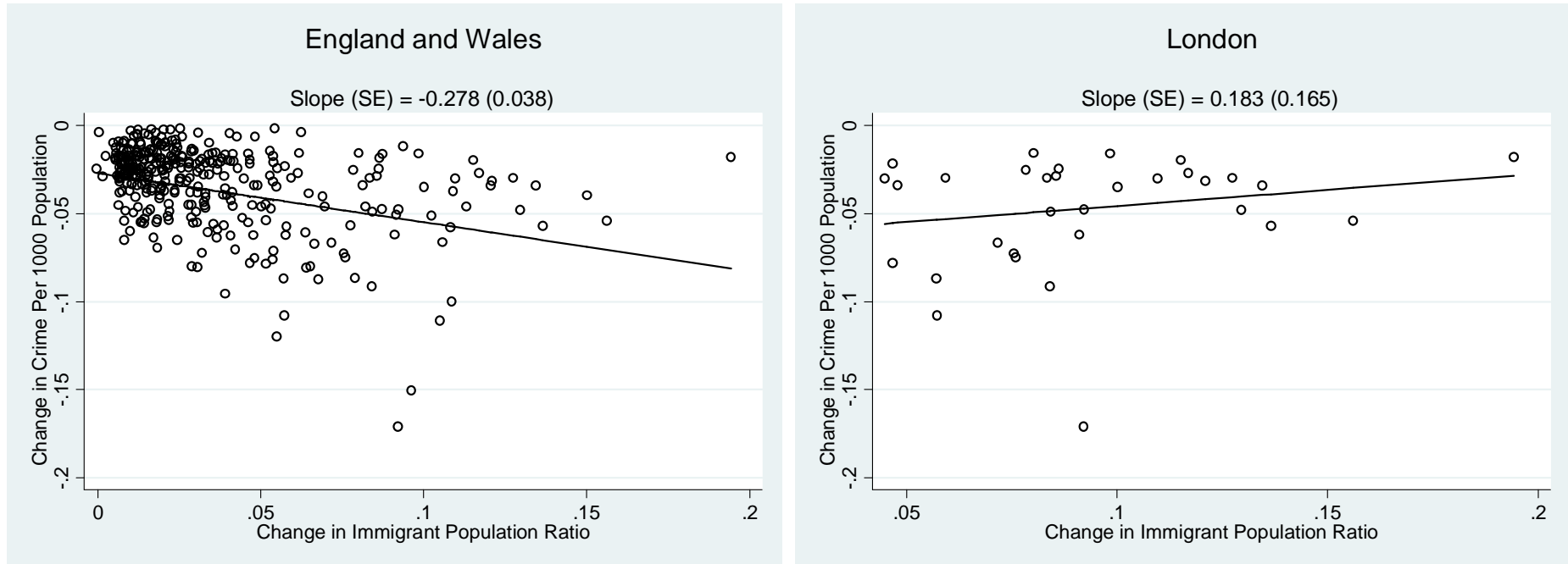


Crime Rate, 2011



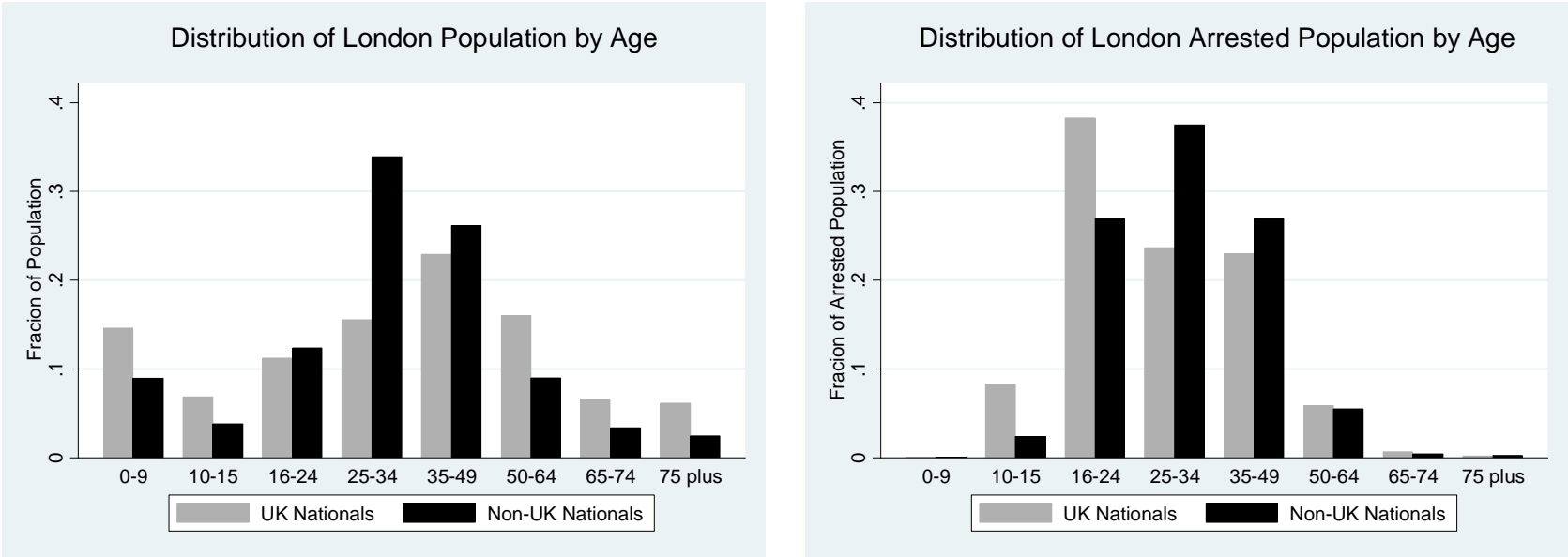
Notes: The Crime Rate is defined as crime count in the financial year 2011/2012 divided by the 2011 usual resident Census population. The Immigrant Share is defined as the number of people not born in UK (Census 2011) divided by the 2011 usual resident Census population

**Figure 6: Changes in Crime and Immigration**



Notes: Based on 347 local authorities for England and Wales and 32 London boroughs between 2004/5 and 2010/11. Slopes (standard errors in parentheses) from population weighted regressions.

**Figure 7: Distribution of London Population and Arrested Population by Age**



Notes: Based on arrest counts provided by the Metropolitan Police Service and population by age from the APS.

**Table 1: Immigrant Composition by Country of Birth, Census and Annual Population Survey**

Census, 1991			Census, 2001			Annual Population Survey, 2005			Census, 2011		
Country of Birth			Country of Birth			Country of Birth			Country of Birth		
Rank	Country	% Share of Immigrants	Rank	Country	% Share of Immigrants	Rank	Country	% Share of Immigrants	Rank	Country	% Share of Immigrants
<b>A. England and Wales</b>											
1.	Ireland	15.7%	1.	Ireland	10.2%	1.	India	9.8%	1.	India	9.3%
2.	India	11.0%	2.	India	9.8%	2.	Ireland	7.2%	2.	Poland	7.7%
3.	Pakistan	6.2%	3.	Pakistan	6.6%	3.	Pakistan	5.6%	3.	Pakistan	6.4%
4.	Germany	5.6%	4.	Germany	5.3%	4.	Bangladesh	4.4%	4.	Ireland	5.4%
5.	Jamaica	3.9%	5.	Bangladesh	3.3%	5.	Germany	4.4%	5.	Germany	3.6%
...			...								
11.	Poland	1.9%	17.	Poland	1.3%						
Immigrants: 3.6 Million			Immigrants: 4.6 Million			Immigrants: 5.4 Million			Immigrants: 7.5 Million		
<b>B. London</b>											
1.	Ireland	14.8%	1.	India	8.9%	1.	India	14.8%	1.	India	8.7%
2.	India	10.4%	2.	Ireland	8.1%	2.	Bangladesh	10.4%	2.	Poland	5.3%
3.	Jamaica	5.3%	3.	Bangladesh	4.4%	3.	Ireland	5.3%	3.	Ireland	4.3%
4.	Kenya	3.9%	4.	Jamaica	4.1%	4.	Jamaica	3.9%	4.	Nigeria	3.8%
5.	Bangladesh	3.9%	5.	Nigeria	3.6%	5.	Nigeria	3.9%	5.	Pakistan	3.8%
...			...								
17.	Poland	1.5%	18.	Poland	1.1%	6.	Poland	3.5%			
Immigrants: 1.5 Million			Immigrants: 1.9 Million			Immigrants: 2.1 Million			Immigrants: 3.0 Million		

Notes: Population by country of birth was obtained from the 1991, 2001 and 2011 Census and for 2004 we employed the APS for the financial year 2004/5. For the Census years we ranked the countries according to the list of countries available in the detailed country of birth tables (retrieved from the Nomis website).

**Table 2: Changes in Immigrant Shares Across Local Authorities, Census and Annual Population Survey**

	Dependent Variable: Change in Immigrant Share					
	Census, 2001-2011		Annual Population Survey, 2004/5-2010/11			
	Country of Birth		Country of Birth		Nationality	
	(1)	(2)	(3)	(4)	(5)	(6)
<b>A. England and Wales</b>						
Predicted Change in Immigrant Share	0.353 (0.059)	0.359 (0.067)	0.560 (0.098)	0.574 (0.095)	0.412 (0.086)	0.448 (0.089)
High Historical Immigrant Share	-0.050 (0.010)	-0.044 (0.011)	-0.054 (0.012)	-0.054 (0.013)	-0.040 (0.011)	-0.041 (0.012)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	No	Yes	No	Yes	No	Yes
F-Test	20.18	15.04	18.15	19.02	13.48	14.12
Sample Size	347	347	347	347	347	347
<b>B. London</b>						
Predicted Change in Immigrant Share	0.150 (0.105)	0.153 (0.107)	0.698 (0.130)	0.674 (0.130)	0.430 (0.147)	0.474 (0.149)
High Historical Immigrant Share	-0.020 (0.016)	-0.021 (0.016)	-0.063 (0.016)	-0.062 (0.016)	-0.036 (0.014)	-0.040 (0.014)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	No	Yes	No	Yes	No	Yes
F-Test	1.05	1.05	14.98	13.85	4.94	5.83
Sample Size	33	33	33	33	33	33

Notes: Weighted by population. High Historical Immigrant Share is a dummy variable equal to one if the Immigrant Share in 1991 Census (defined by their country of birth) of the local authority is greater than 0.20. Controls are: population growth, the change in the unemployment rate, the change in the share of males aged 15-39 and a dummy variable for the 33 London boroughs. Robust standard errors in parentheses.

**Table 3: Changes in Immigrant Shares Across Local Authorities, Census and Annual Population Survey, A8 and non-A8 instruments**

	Dependent Variable: Change in Immigrant Share			
	Census, 2001-2011		Annual Population Survey, 2004/5-2010/11	
	Country of Birth		Country of Birth	
	(1)	(2)	(3)	(4)
<b>A. England and Wales</b>				
Predicted Change in A8 Immigrant Share	0.182 (0.157)	0.144 (0.174)	0.530 (0.194)	0.527 (0.188)
Predicted Change in non-A8 Immigrant Share	0.438 (0.099)	0.469 (0.120)	0.583 (0.143)	0.622 (0.165)
High Historical Immigrant Share	-0.049 (0.010)	-0.043 (0.011)	-0.054 (0.012)	-0.055 (0.014)
Controls	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	No	Yes	No	Yes
F-Test	13.58	9.82	13.02	13.23
Sample Size	347	347	347	347
<b>B. London</b>				
Predicted Change in A8 Immigrant Share	-0.011 (0.272)	-0.000 (0.279)	0.675 (0.284)	0.547 (0.269)
Predicted Change in non-A8 Immigrant Share	0.229 (0.193)	0.227 (0.198)	0.730 (0.269)	0.840 (0.270)
High Historical Immigrant Share	-0.016 (0.017)	-0.017 (0.018)	-0.063 (0.017)	-0.064 (0.017)
Controls	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	No	Yes	No	Yes
F-Test	0.68	0.67	10.60	9.84
Sample Size	33	33	33	33

Notes: Weighted by population. The instrument for change in immigrant share is disaggregated into an A8 and a non-A8 instruments. High Historical Immigrant Share is a dummy variable equal to one if the Immigrant Share in 1991 Census (defined by their country of birth) of the local authority is greater than 0.20. Controls are: population growth, the change in the unemployment rate, the change in the share of males aged 15-39 and a dummy variable for the 33 London boroughs. Robust standard errors in parentheses.



**Table 4: Changes in Crime and Immigration**

<b>Dependent Variable: Change in Crime Rate</b>						
Annual Population Survey, 2004/5-2010/11, Country of Birth						
	OLS	IV Aggregate	IV A8 and non-A8	OLS	IV Aggregate	IV A8 and non-A8
	(1)	(2)	(3)	(4)	(5)	(6)
<b>A. England and Wales</b>						
Change in Immigrant Share	-0.069 (0.043)	0.005 (0.078)	0.003 (0.077)	-0.051 (0.035)	0.007 (0.078)	0.000 (0.078)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	No	No	No	Yes	Yes	Yes
Sample Size	347	347	347	347	347	347
<b>B. London</b>						
Change in Immigrant Share	0.042 (0.077)	0.100 (0.090)	0.099 (0.091)	0.092 (0.059)	0.120 (0.088)	0.108 (0.093)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	No	No	No	Yes	Yes	Yes
Sample Size	33	33	33	33	33	33

Notes: Weighted by population. Second stage estimates using first stages of Table 2 and Table 3. High Historical Immigrant Share is a dummy variable equal to one if the Immigrant Share in 1991 Census (defined by their country of birth) of the local authority is greater than 0.20. Controls are: population growth, the change in the unemployment rate, the change in the share of males aged 15-39 and a dummy variable for the 33 London boroughs. Robust standard errors in parentheses.

**Table 5: Robustness Checks**

Annual Population Survey, 2004/5-2010/11, Country of Birth						
	Change in Log Crime Rate		Change in Crime Rate, Crime Dynamics		Change in Burglary Rate, Burglary Dynamics	
	First Stage (1)	Second Stage (2)	First Stage (3)	Second Stage (4)	First Stage (5)	Second Stage (6)
<b>A. England and Wales</b>						
Predicted Change in Immigrant Share	0.586 (0.162)		0.555 (0.099)		0.558 (0.097)	
High Historical Immigrant Share	-0.158 (0.045)		-0.055 (0.0145)		-0.055 (0.014)	
Change in Immigrant Share Change in Crime/Burglary Rate, 2002-2004		0.008 (0.060)		-0.118 (0.101) 0.475 (0.124)		0.011 (0.017) 0.292 (0.042)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
F-Test	14.56		18.65		18.54	
Sample Size	347	347	347	347	347	347
<b>B. London</b>						
Predicted Change in Immigrant Share	0.761 (0.460)		0.726 (0.162)		0.671 (0.136)	
High Historical Immigrant Share	-0.159 (0.050)		-0.055 (0.017)		-0.048 (0.020)	
Change in Immigrant Share Change in Crime/Burglary Rate, 2002-2004		0.019 (0.183)		- 0.080 (0.056) 0.182 (0.021)		0.010 (0.017) 0.266 (0.074)
Controls	Yes	Yes	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
F-Test	10.04	-	13.70	-	10.21	-
Sample Size	33	33	33	33	33	33

Notes: Weighted by population. High Historical Immigrant Share is a dummy variable equal to one if the Immigrant Share in 1991 Census (defined by their country of birth) of the local authority is greater than 0.20. Controls are: population growth, the change in the unemployment rate, the change in the share of males aged 15-39 and a dummy variable for the 33 London boroughs. Robust standard errors in parentheses. In columns 3 and 5 there are two instrumented endogenous variables and the Angrist-Pischke multivariate F test of excluded instruments is reported. Burglary and Crime rates are burglary and crime counts divided by total population from the APS.

**Table 6: IV Estimates for A8 and Non-A8 Immigrant, Separate Regressions.**

<b>Dependent Variable: Change in Crime Rate</b>				
Annual Population Survey, 2004/5-2010/11, Country of Birth				
	A8 Immigrant Share		Non-A8 Immigrant Share	
	First Stage	Second Stage	First Stage	Second Stage
	(1)	(2)	(3)	(4)
<b>A. England and Wales</b>				
Predicted Change in A8 Immigrant Share	0.289 (0.075)			
Predicted Change in Non-A8 Immigrant Share			0.627 (0.151)	
High Historical Immigrant Share			-0.046 (0.014)	
Change in A8 Immigrant Share		-0.429 (0.275)		
Change in Non-A8 Immigrant Share				0.045 (0.096)
F-Test	14.91		9.35	
Controls	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	Yes	Yes	Yes	Yes
Sample Size	347	347	347	347
<b>B. London</b>				
Predicted Change in A8 Immigrant Share	0.213 (0.091)			
Predicted Change in Non-A8 Immigrant Share			0.921 (0.262)	
High Historical Immigrant Share			-0.054 (0.019)	
Change in A8 Immigrant Share		0.130 (0.469)		
Change in Non-A8 Immigrant Share				0.117 (0.130)
F-Test	5.37		6.24	
Controls	Yes	Yes	Yes	Yes
Police Force Area Fixed Effects	Yes	Yes	Yes	Yes
Sample Size	33	33	33	33

Notes: Separate population weighted regressions for A8 and non-A8 immigrants. High Historical Immigrant Share is a dummy variable equal to one if the Immigrant Share in 1991 Census (defined by their country of birth) of the local authority is greater than 0.20. For A8 regressions this dummy is not included as there was no local authorities with high historical A8 immigrant shares. Controls are: population growth, the change in the unemployment rate, the change in the share of males aged 15-39 and a dummy variable for the 33 London boroughs. Robust standard errors in parentheses.

**Table 7: Arrests in London by Nationality, June 2009-June 2012, Summary Statistics**

	UK Nationals	Non-UK Nationals	Difference
	(1)	(2)	(3)
Arrest Rate	2.822 (0.199)	3.814 (0.190)	0.992 (0.306)
Arrest Rate, Without Immigration Offences	2.820 (0.177)	3.540 (0.199)	0.720 (0.293)
Main Offence 1st (% Offences)	Assault (21.08%)	Assault (18.56%)	
Main Offence 2nd (% Offences)	Theft (12.86%)	Theft (18.46%)	
Main Offence 3rd (% Offences)	Drugs(10.49%)	Immigration (7.31%)	

Notes: From numbers supplied by the Metropolitan Police Service through a Freedom of Information Act request. Arrest Rates are calculated as the average monthly arrest counts for all the period studied (June-2009 to June-2012) over the average total population obtained from the APS 2008/9, 2010/11 and 2011/12. Standard errors in parentheses.

**Table 8: Differential Arrest Rates by Nationality, London, 2009-2012**

Dependent Variable: Monthly Arrest Rate per 1,000 population (June 2009 to June 2012), London Boroughs					
	(1)	(2)	(3)	(4)	(5)
Non-UK national	0.992 (0.306)	0.720 (0.293)	0.487 (0.265)	-0.048 (0.212)	-0.222 (0.148)
Borough Fixed Effects	No	No	Yes	No	Yes
Age Fixed Effects	No	No	No	Yes	Yes
Immigration Offences	Yes	No	No	No	No
Constant	2.822 (0.196)	2.820 (0.196)	3.369 (1.030)	3.287 (0.212)	3.943 (0.278)
Sample Size	512	512	512	512	512

Notes: Non-UK national is a dummy variable equal to one when the nationality of the individual is not UK. Age Range comprises eight age bands: 0 to 9, 10 to 15, 16 to 24, 25 to 34, 35 to 49, 50 to 64, 65 to 74 and older than 74. Sample size is the number of cells (a cell is a combination of nationality status -UK, non-UK-, age band and borough). Robust standard errors in parentheses. Data on arrests from the Metropolitan Police Service and population from the APS.

## Appendix

**Table A1: Detailed Immigrant Composition from Census 1991, 2001 and 2011, Country of Birth**

	Census, 1991	Census, 2001	Census, 2011
<b>A. England and Wales</b>			
Immigrant Share	0.072	0.089	0.134
Of which:			
Ireland	0.160	0.106	0.053
EU 15	0.142	0.126	0.107
A8	0.021	0.020	0.116
Rest Europe	0.063	0.041	0.054
Asia	0.317	0.390	0.383
Africa	0.130	0.170	0.178
America	0.137	0.118	0.089
Oceania	0.030	0.029	0.020
<b>B. London</b>			
Immigrant Share	0.217	0.271	0.367
Of which:			
Ireland	0.150	0.082	0.043
EU 15	0.101	0.107	0.108
A8	0.017	0.020	0.102
Rest Europe	0.074	0.050	0.076
Asia	0.306	0.335	0.327
Africa	0.176	0.242	0.210
America	0.149	0.129	0.108
Oceania	0.028	0.035	0.027

Notes: Population by country of birth was obtained from the 1991, 2001 and 2011 Census (retrieved through the Nomis website).

**Table A2: Changes in Crime and Immigration by Crime Types**

	<b>Dependent Variable: Change in Crime Rate</b>		
	Annual Population Survey, 2004/5-2010/11, Country of Birth		
	Total Crime	Violent Crime	Property Crime
	IV	IV	IV
	(1)	(2)	(3)
<b>A. England and Wales</b>			
Change in Immigrant Share	0.007 (0.078)	-0.010 (0.021)	0.017 (0.062)
Controls	Yes	Yes	Yes
Police Force Area Fixed Effects	Yes	Yes	Yes
Sample Size	347	347	347
<b>B. London</b>			
Change in Immigrant Share	0.120 (0.088)	0.011 (0.019)	0.109 (0.077)
Controls	Yes	Yes	Yes
Police Force Area Fixed Effects	Yes	Yes	Yes
Sample Size	33	33	33

Notes: As for Table 4. Total crime is the sum of Property and Violent Crime. Property Crimes include burglary, theft and criminal damage, while Violent Crimes include violence against the person and robbery. Crime rates are obtained dividing the crime counts by total population according to population figures from the APS.

**Table A3: Differential Arrest Rates by Nationality and Offence Type, London, 2009-2012**

<b>Dependent Variable: Monthly Arrest Rate per 1,000 population (June-2009 / June-2012), London Boroughs</b>						
	Violent Offences			Property Offences		
	(1)	(2)	(3)	(4)	(5)	(6)
Non-UK national	0.270 (0.099)	-0.032 (0.071)	-0.091 (0.057)	0.277 (0.099)	0.095 (0.075)	0.055 (0.050)
Borough Fixed Effects	No	No	Yes	No	No	Yes
Age Band Fixed Effects	No	Yes	Yes	No	Yes	Yes
Immigration Offences	No	No	No	No	No	No
Constant	1.160 (0.072)	1.400 (0.092)	1.749 (0.134)	0.693 (0.052)	1.123 (0.084)	1.280 (0.083)
Sample Size	512	512	512	512	512	512

Notes: As for Table 8. Property Offences include burglary, theft and criminal damage, while Violent Offences include violence against the person and robbery.



## **Data Appendix**

### **1. Administrative Units**

We construct administrative units that are comparable over time to build spatial panels of socio-demographic and crime variables. The geographical areas studied are England and Wales, which are divided into Local Authorities (LAs). The period under analysis is mainly the decade 2001-2011. Before 2009 there were 376 LAs in England and Wales: 33 London Boroughs, 36 Metropolitan Districts and 238 Districts in England and 22 Unitary Authorities in Wales. In April 2009 an administrative reform took place which reshaped the existing configuration of the LAs. In that occasion new LAs were created: five counties were abolished and gained district functions (Cornwall, County Durham, Northumberland, Shropshire and Wiltshire), the county of Bedfordshire was split into two LAs and the county of Cheshire was as well abolished and split into two LAs. Taking into account these changes to be able to employ pre and post 2009 datasets we constructed 348 spatial units that are comparable over time.

### **2. Socio-Demographic Variables**

There are two main sources of information for socio-demographic variables (including immigration variables) which are available at the LA level for the period under study: the Population Census and the Annual Population Survey (APS). In the case of the Census we can get the data for the 348 spatial units of our panel. In the APS we do not have data for the least populated LA (Isles of Scilly, which has a population of only 2,203 usual residents according to the 2011 Census). Consequently the main analysis for England and Wales is carried out for 347 comparable spatial units. For London the 33 boroughs are consistently defined over time.

Regarding the decennial Population Census, we employ the 1991, 2001 and 2011 Census. The Census is an official count of the population and provides better estimates of the population characteristics than any survey, especially in local areas. But its drawback is the large gap in time between each Census.

In particular for this study, having inter-Census data proved to be crucial for the identification strategy exploited. Therefore we also employ the Annual Population Survey (APS) conducted quarterly by the Office for National Statistics. We analysed the APS waves starting in the financial year April 2004 to March 2005 (which we name 2004/5 in the paper) until April 2010 to March 2011. The last Population Census was held in March 2011, so our two main sources of socio-demographic information reach about the same date. The APS is only available at LA level since 2004. The coding of local area (until the LA) is contained in the special licence dataset, for which we were granted access for this project. The average sample of the APS is 306,692 in 2004/5-2010/11 for England and Wales and 28,777 for London.

### *2.1. Population*

The base population is the 'usually resident population' which refers to people who live in the UK for 12 months or more, including those who have been resident for less than 12 months but intend to stay for a total period of 12 months or more. For example, in the 2011 Census, the usually resident population of England and Wales is defined as anyone who, on the night of 27 March 2011, was either (a) resident in England and Wales and who had been resident, or intended to be resident in the UK for a period of 12 months or more, or (b) resident outside the UK but had a permanent England and Wales address and intended to be outside the UK for less than a year.

In the APS it is also considered as usual resident someone who was living the last year in the country. The difference is that the APS is a household survey, and as such it does not cover most people living in communal establishments, some NHS accommodation, or students living in halls of residence who have non-UK resident parents. Usually the APS underestimates the population in comparison to the Census. We always compare APS waves or Census years, thus keeping consistency across sources of data. The usual resident population is the denominator for all the shares we study.

## *2.2. Immigration Variables*

Country of birth is the variable we mostly refer to when referring to immigrants, except otherwise stated. Country of birth is both available in all the Census and the APS in the period that we study. However, the availability of data in terms of disaggregation by countries of origin varies within and across sources.

The Census data provide information on the stock of migrants in the UK, including separate estimates for some countries of origin. The APS contains the same country of birth variable, covering a representative sample of the population but providing a more extensive classification of country of birth (around 100 categories until 2006 and around 200 categories for the following years after a change in the coding of country of birth).

We split the immigrant population in groups that could be tracked both for the Census and APS over time. In the case of the Census, the detailed country of birth was not always available in the standard country of birth tables and we had to use also previously commissioned tables, for example for the A8 immigrant population in 2001.

Apart from the data availability for the two sources, we selected the country groups ensuring they were large enough to obtain reliable estimates in the APS at the LA level and to include the main sending countries for the period that we study. We thus grouped the immigrants in the following countries/regions of origin: Ireland, European Union member countries as of 2001 (EU15), A8 accession countries, Rest of Europe, India, Pakistan, Bangladesh, Sri Lanka, Rest of Asia, Kenya, South Africa, Ghana, Rest of Africa, Jamaica, North America, Rest of America and Oceania. The A8 countries who gained accession in May 2004 are: Czech Republic, Estonia, Hungary, Latvia, Poland, Slovakia and Slovenia. We do not consider the countries separately but the A8 group as a whole as the flows from the individual countries were too small before 2004. We include the A2 countries who gained accession in January 2007, Bulgaria and Romania in the Rest of Europe category. We also include Cyprus and Malta in the Rest of Europe category though they also

entered to the EU in 2004. We exclude them from our particular analysis the immigration from Malta is limited and in the case of Cyprus it was not the entire country that accessed to the EU (the Turkish part did not) so before 2004 we cannot identify the region of origin of the immigrants from Cyprus (Turkish part or not).

Another immigration variable we considered is nationality. The APS has separate questions for country of origin and nationality. Nationality refers to that stated by the respondent during the interview. Country of origin is a more stable category and thus, our preferred one, as it cannot change while nationality in fact does change in many cases. Usually immigrants from countries that do not belong to the EU who intend to stay in the country, may apply for the UK nationality to avoid working restrictions. So the share of immigrants defined by country of birth is higher than by nationality, especially for immigrants not born in EU countries.

Unfortunately the APS is the only source providing the nationality variable over time. In the Census only country of birth was present until 2011 when other related questions were introduced. The new variables related to immigration status in the 2011 Census are 'national identity' and 'passport held'. A persons' national identity is a self-determined assessment of their own identity with respect to the country or countries with which they feel an affiliation. This assessment of identity is not dependent on legal nationality or ethnic group. And the options to answer this question in the Census are the countries within UK, Ireland or other national identity.

Passports held classifies a person according the passport or passports that they held at the time of the 2011 Census. People were asked to indicate whether they held no passport, a United Kingdom passport, an Irish passport, or a passport from another country, and to write in the name of the other country if applicable. If more than one of the options were applicable people were asked to indicate all that applied. However, in the datasets available so far, only one nationality according to passport held is recorded (priority is given to the UK, then Irish and then other when they answered having more than one passport). Another problem that arises when classifying the

immigrant population according to the passport held is that there are many missing values: there were 9.2 million usual residents born in the UK who did not hold a passport and 269,000 foreign born resident who also did not hold a passport. The reasons for this varies by country, but may include: asylum seekers without travel documentation awaiting a decision; those born in the Republic of Ireland who did not require a passport in order to enter the UK; those from other EU countries who may have arrived to the UK using a national identity card; those who may have acquired UK nationality but do not currently hold a passport (ONS, 2013). Another innovation of the 2011 is the introduction of short term migrants (those that stay less than 12 months), but LA estimates are not available at the time of writing.

### *2.3. Other variables*

The rest of the socio-demographic variables employed are obtained both from the Census and the APS for every LA and corresponding years according to the source. The immigrant share is defined as the immigrant population divided by the total population. Population growth also refers to the total usual resident population. The unemployment rate is defined as the number of unemployed divided by the economically active population aged 16 to 64 years old. Density is defined as the usual resident population divided by the land area of the LA. The young male population share is the ratio of the males aged 15-39 to the total population.

## **3. Crime Variables**

### *3.1. Notifiable Offences*

We obtained data on notifiable offences from Data.gov.uk. It is supplied by each of the 43 police forces in England and Wales (we do not consider crimes recorded by other forces such as the British Transport Police, for example). In London there are two police forces: the Metropolitan Police which is in charge of the security of 32 London boroughs and the City of London police that serves the City of London borough. Total notifiable offences are available for every LA and are classified in the major type of offences: burglary, robbery, theft and handling stolen goods,

violence against a person, sexual offences, drugs, fraud and forgery and other offences. We are mainly interested in violent and property crimes, so we redefine total crime as the sum of these two categories. In violent crimes we include violence against the person (which also includes sexual offences) and robbery, and in property crimes we include burglary, theft and criminal damage. The rest of the categories are volatile and we do not consider them. However, all our findings are also robust to using a broader total crime definition.

Notifiable offences are consistently available since the financial year 2002/2003. Unfortunately we cannot use previous crime records due to changes in the recording system. There have been two major changes to the recording of crimes in recent years: in April 1998 the Home Office Counting Rules for recorded crime were expanded to include certain additional summary offences and counts became more victim-based (the number of victims was counted rather than the number of offences); and in April 2002, the National Crime Recording Standard (NCRS) was introduced across England and Wales. The aim of the NCRS was to ensure greater consistency between forces in recording crime and to take a more victim-oriented approach to crime recording with the police being required to record any allegation of crime unless there was credible evidence to the contrary.

The implementation of the NCRS preclude consistent comparison of crime counts before and after the change in the recording system. In England and Wales crime is estimated to have increased by 10 percent (12 percent in the Metropolitan Police area) in the year of the introduction of NCRS as a consequence of the victim-oriented approach to recording. The introduction of NCRS affected differently the types of offences and the police force areas. Regarding police forces, not all of them adopted the NCRS at the same time. There were a few 'early adopters', Avon and Somerset, Lancashire, Staffordshire, and West Midlands, (where 39 LAs are located) that by 2002/2003 were already following the NCRS guidelines. The rest of the

police forces adapted their recording practices during the first year (Simmons, Legg and Hosking, 2003). Thus, the crime count in 2002/2003 is also not completely unaffected by the change.

It has only been possible to calculate the NCRS impact within certain crime groups as incident information at police force level is not available for all categories. The groups include violence against the person, burglary from a dwelling, robbery, theft and total crime. No estimate was made of the NCRS impact at smaller geographies than police force area, therefore we cannot do any adjustment to the previous crime data to use it in our study. Violent crimes were the most affected as a consequence of the NCRS introduction, with violence against the person increasing a huge 23 percent across England and Wales and 20 percent in the Metropolitan Police area (Simmons, Legg and Hosking, 2003). The least affected were burglaries (3 percent increase in England and Wales and 4 percent in the Metropolitan Police area) and robberies (3 percent increase in the country and 5 percent in the Metropolitan Police area).

To convert the crime counts into rates we divided the notifiable offences by total population, using the total population of the Census or the APS according to the year under study.

### *3.2. Arrests*

To complement our study on the effect of immigration on crime we submitted a Freedom of Information Act request to obtain a unique dataset on arrest counts for the 32 boroughs of the Metropolitan Police area. The records are monthly and start in April 2008. The data comes broken down by nationality, age, offence, month and borough. This is a very rich dataset of 1,222,574 arrests from April 2008 to June 2012. We are only able to use this data by nationality since June 2009 as before the completion of the nationality field was not mandatory so the non-UK nationals arrests are under-recorded. We also drop from the dataset those arrests that took place in Heathrow airport. There are 864,964 arrests since June 2009. From those in 72.4 percent of the cases the detainee was UK national and 27.6 percent non UK-nationals. The dataset includes a list of 200 offences, which we grouped in the same categories as the recorded crime data.

The nationality recorded by the police is the one self-reported by the detainee. It is a free question and then the police officer should put the option declared by the detainee choosing it from a structured nationality list. All the nationalities are contained in that list.

To convert the arrest counts into arrest rates, we divide the arrests by total population according to nationality status. We used the APS nationality variable detailed before. The other option would be to use the Census variable 'passport held'. However, given that the question asked to the detainee is the same one as in the APS interview (i.e. which refers to the self-reported nationality) and given that the detainee is not asked to show any passport or document to prove nationality when arrested, the passport held variable would have been incorrect.

#### **4. Construction of Instrumental Variables**

##### *4.1. Change in Immigrant Share Instruments*

To predict the change in the share of immigrants for the 2001-2011 period we use the Census immigrant count by country of birth of each of the 17 country/region groups previously defined, calculate their distribution across the 347 spatial units in 2001 and multiply each distribution by the 2001-2011 inflow of immigrants to the UK from the respective country. We divide the predicted inflow by the 2001 population. Then we add up the normalized predicted inflow of the 17 groups to instrument the actual change in immigrant share per spatial unit.

To predict the change in the share of immigrants for the 2004/5-2010/11 we use the APS country of birth variable and follow a similar procedure as for the inter-Census period. The only difference is that we take as reference distribution, that of the average between 2004/5 and 2005/6 waves to increase precision as the data comes from a sample of households, unlike the Census.

The A8 and non-A8 IV is constructed in the same way, but only using the relevant groups for each case from the 17 categories.

We are also able to predict the change in the share of immigrants defined by their nationality for the 2004/5-2010/11 period using the APS dataset. To do so, we replicate the same procedure as



for country of birth, but take the immigrant original distribution and inflows according to their nationalities. We use the same 17 country/region groups as for the case of country of birth. We also include in the IV prediction equation an additional dummy variable for whether areas historically had a high immigration share, defined as 20 percent or over in the 1991 Census.

#### *4.2. Lagged Change in Crime/Burglaries*

To predict the change in Change in Crime/Burglary Rate, 2002-2004 we use the Crime or Burglary Rate in 2002. We first scale the change in the Crime/Burglary Rate 2002-2004 to make it comparable to the 6 year period we analyse, by multiplying it by three. Then, we use the Crime or Burglary Rate (in levels) in 2002 as the instrument.

**CENTRE FOR ECONOMIC PERFORMANCE**  
**Recent Discussion Papers**

1237	Ross Levine Yona Rubinstein	Smart and Illicit: Who Becomes an Entrepreneur and Does it Pay?
1236	Jan-Emmanuel De Neve Ed Diener Louis Tay Cody Xuereb	The Objective Benefits of Subjective Well-Being
1235	Pascal Michaillat Emmanuel Saez	A Model of Aggregate Demand and Unemployment
1234	Jerónimo Carballo, Gianmarco I.P. Ottaviano Christian Volpe Martincus	The Buyer Margins of Firms' Exports
1233	Daniel Fujiwara	A General Method for Valuing Non-Market Goods Using Wellbeing Data: Three-Stage Wellbeing Valuation
1232	Holger Breinlich Gianmarco I. P. Ottaviano Jonathan R. W. Temple	Regional Growth and Regional Decline
1231	Michalis Drouvelis Nattavudh Powdthavee	Are Happier People Less Judgmental of Other People's Selfish Behaviors? Laboratory Evidence from Trust and Gift Exchange Games
1230	Dan Anderberg Helmut Rainer Jonathan Wadsworth Tanya Wilson	Unemployment and Domestic Violence: Theory and Evidence
1229	Hannes Schwandt	Unmet Aspirations as an Explanation for the Age U-Shape in Human Wellbeing
1228	Bénédicte Apouey Andrew E. Clark	Winning Big But Feeling No Better? The Effect of Lottery Prizes on Physical and Mental Health
1227	Alex Gyani Roz Shafran Richard Layard David M Clark	Enhancing Recovery Rates: Lessons from Year One of the English Improving Access to Psychological Therapies Programme
1226	Stephen Gibbons Sandra McNally	The Effects of Resources Across School Phases: A Summary of Recent Evidence

- |      |  |   |
|------|--|---|
| 1225 | Cornelius A. Rietveld<br>David Cesarini<br>Daniel J. Benjamin<br>Philipp D. Koellinger<br>Jan-Emmanuel De Neve<br>Henning Tiemeier<br>Magnus Johannesson<br>Patrik K.E. Magnusson<br>Nancy L. Pedersen<br>Robert F. Krueger<br>Meike Bartels | Molecular Genetics and Subjective Well-Being  |
| 1224 | Peter Arcidiacono<br>Esteban Aucejo<br>Patrick Coate<br>V. Joseph Hotz   | Affirmative Action and University Fit: Evidence from Proposition 209  |
| 1223 | Peter Arcidiacono<br>Esteban Aucejo<br>V. Joseph Hotz  | University Differences in the Graduation of Minorities in STEM Fields: Evidence from California                   |
| 1222 | Paul Dolan<br>Robert Metcalfe  | Neighbors, Knowledge, and Nuggets: Two Natural Field Experiments on the Role of Incentives on Energy Conservation |
| 1221 | Andy Feng<br>Georg Graetz  | A Question of Degree: The Effects of Degree Class on Labor Market Outcomes  |
| 1220 | Esteban Aucejo   | Explaining Cross-Racial Differences in the Educational Gender Gap   |
| 1219 | Peter Arcidiacono<br>Esteban Aucejo<br>Andrew Hussey<br>Kenneth Spenner  | Racial Segregation Patterns in Selective Universities   |
| 1218 | Silvana Tenreyro<br>Gregory Thwaites   | Pushing On a String: US Monetary Policy is Less Powerful in Recessions  |
| 1217 | Gianluca Benigno<br>Luca Fornaro   | The Financial Resource Curse  |
| 1216 | Daron Acemoglu<br>Ufuk Akcigit<br>Nicholas Bloom<br>William R. Kerr  | Innovation, Reallocation and Growth   |
| 1215 | Michael J. Boehm   | Has Job Polarization Squeezed the Middle Class? Evidence from the Allocation of Talents                           |

**The Centre for Economic Performance Publications Unit**

**Tel 020 7955 7673 Fax 020 7404 0612**

**Email [info@cep.lse.ac.uk](mailto:info@cep.lse.ac.uk) Web site <http://cep.lse.ac.uk>**